1 2 3 4 5 6 7	RPA BRETT KANDT (Bar No. 5384) General Counsel <u>bkandt@pharmacy.nv.gov</u> PETER K. KEEGAN (Bar No. 12237) Assistant General Counsel <u>p.keegan@pharmacy.nv.gov</u> Nevada State Board of Pharmacy 985 Damonte Ranch Parkway – Suite 206 Reno, NV 89521 775.850.1440 – Telephone Attorneys for Respondent/Defendant	Electronically Filed 7/5/2022 4:24 PM Steven D. Grierson CLERK OF THE COURT	
8	DISTRICT COURT OF		
9	CLARK COUNTY, NEVADA		
10	CANNABIS EQUITY AND INCLUSION		
11 12	COMMUNITY (CEIC), a domestic nonprofit corporation; ANTOINE POOLE,	Case No. A-22-851232-W	
13	an individual, Petitioners/Plaintiffs,	Dept. No. 15	
14	vs.	Hearing Date: July 13, 2022	
$\begin{array}{c} 15\\ 16 \end{array}$	STATE OF NEVADA ex rel. BOARD OF PHARMACY, a public entity of the State of Nevada	Hearing Time: 9:00 AM	
17	Respondent/Defendant.		
18			
19	RESPONDENT/DEFENDANT'S REPLY MEMORANDUM OF POINTS AND AUTHORTIES ON MOTION TO DISMISS FOR LACK OF JURISDICTION AND FAILURE TO STATE A CLAIM		
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21	Respondent/Defendant State of Nevada ex rel. Board of Pharmacy ("Board"), by and		
22	through its attorneys, Brett Kandt, General Counsel, and Peter K. Keegan, Assistant		
23	General Counsel, hereby submits this reply memorandum of points and authorities on the		
24	Board's motion to dismiss Petitioners/Plaintiffs Petition for Writ of Mandamus and		
25	Complaint for Declaratory and Injunctive Relief ("Petition"). This reply is made pursuant		
26	to EDCR 2.20(g).		
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I. INTRODUCTION

Plaintiffs Cannabis Equity and Inclusion Community ("CEIC") and Antoine Poole fail to rebut the crux of the Board's motion: 1) that the *Nevada Medical Marijuana Initiative*, Nev. Const. art. IV, § 38, does not compel the deletion of marijuana, cannabis and cannabis derivatives (hereinafter "marijuana") from the list of Schedule I controlled substances; 2) that the *Nevada Marijuana Legalization Initiative* did not divest the Board of jurisdiction over the scheduling of marijuana as a controlled substance; and 3) deleting marijuana from Schedule I will not redress their alleged injuries. Plaintiffs' opposition largely deflects from these realities.

II. ARGUMENT

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A motion to dismiss is a proper responsive motion to a petition for writ of mandamus.

Plaintiffs initially throw a red herring by arguing that a motion to dismiss a writ petition "is an improper responsive pleading and is not contemplated under the governing statutory scheme." Opposition at 2:9-10; 5:8-12. This belies the dictate of NRS 34.300 that "[e]xcept as otherwise provided . . . the provisions of NRS and Nevada Rules of Civil Procedure relative to civil actions in the district court are applicable to and constitute the rules of practice in (mandamus) proceedings." "[A] proceeding in mandamus, under our practice act regulating the same, is a civil remedy, with the qualities and attributes of a civil action." *State ex rel. Bullion & Exch. Bank v. Mack*, 26 Nev. 430, 441, 69 P. 862, 863 (1902).

Furthermore, Plaintiffs stipulated to the Board filing a motion to dismiss prior to filing an answer to the Petition in the First Stipulation and Order Setting Briefing Schedule entered by the Court on June 1, 2022.

B. Nev. Const. art. IV, § 38 does not compel the deletion of marijuana from Schedule I.

Nev. Const. art. IV, § 38(1)(a) mandates that "[t]he legislature shall provide by law for . . . [t]he use by a patient, *upon the advice of his physician*, of a plant of the genus

Cannabis for the treatment or alleviation of "various medical conditions. (Emphasis added). In the intervening twenty-two years since enactment the Legislature has never deemed the deletion of marijuana from the list of Schedule I controlled substances necessary to carrying out that constitutional mandate. Nev. Const. art. IV, § 38 itself is predicated on the Legislature delineating between lawful and unlawful use. The will of voters that marijuana be authorized for a patient's medical use "upon the advice of a physician" under limited circumstances and subject to significant restrictions has been fully honored.

Plaintiffs do not allege that they have been prevented from using marijuana in conformance with Nev. Const. art. IV, § 38. Rather, they mistakenly equate the right of a patient to use marijuana "upon the advice of a physician" to marijuana having "accepted medical use in treatment in the United States" to fabricate a conflict between Nev. Const. art. IV, § 38 and NRS 453.166(2). They do so in a bid to have criminal convictions for unlawful acts falling outside the scope of Nev. Const. art. IV, § 38 overturned.

However, the constitutional right to use marijuana "upon the advice of a physician" in Nevada does not establish that marijuana has "accepted medical use in treatment in the United States" that precludes its continued designation in Schedule I. Undoubtedly a patient "is fully entitled to rely upon the physician's professional skill and judgment while under his care." *Massey v. Litton*, 99 Nev. 723, 728, 669 P.2d 248, 252 (1983). Nevertheless, on the national level all states recognize marijuana as a Schedule I controlled substance under federal law, even as 37 states and the District of Columbia now authorize its medical use.¹

¹ Alabama Code Chapter 20 Article 2A; Alaska Stat. 17.37.10, et seq.; Arizona Rev. Statutes 36-2801, et seq.; Arkansas Const. of 1874: Amendment 98, section 1, et seq.; California Health and Safety Code: Section 11362.5, et seq.; Colorado Const. Article XVIII 14; Connecticut Gen. Statutes: Title 21A, Section 21a-408, et seq.; Delaware Code: Title 16, Section 4901A, et seq.; D.C. Code Ann. 7-1671.01, et seq.; Florida Statutes: Title XXIX, Section 381.986, et seq.; Hawaii Rev. Statutes: Section 329-121, et seq.; Illinois Statutes: Chapter 410, Section 130/1, et seq.; Louisiana Rev. Statutes: Title 40, Section 1046, et seq.; Maine Rev. Statutes: Title 22, Section 2421, et seq.; Code of Maryland Regulations: Chapter 10, Section 62.01, et seq.; Code of Massachusetts Regulations: 105

As previously noted, NRS 453.2182 mandates that, in the absence of any objection, the Board *shall* designate a Schedule I controlled substance consistent with federal law without making the findings required by NRS 453.166. Plaintiffs correctly point out that marijuana was designated in Schedule I by the Legislature with enactment of the Uniform Controlled Substances Act, codified as NRS Chapter 453, in 1971, prior to the enactment of NRS 453.2182. Plaintiffs also correctly note that the Board is not mandated to follow federal law when scheduling, rescheduling or deleting a controlled substance, provided the Board makes the determinations required under NRS 453.146. Nevertheless, Plaintiffs seek to circumvent this statutory administrative rulemaking process altogether through their Petition.

In the intervening twenty-two years since the enactment of Nev. Const. art. IV, § 38 the Board has regularly reviewed and amended the list of Schedule I substances in NAC 639.510 in conformance with NRS 453.211. Never in that time have Plaintiffs – or *any* party – objected to the listing of marijuana in Schedule I or otherwise petitioned the Board pursuant to NAC 639.140 for reconsideration of the scheduling of marijuana in light of the amendment to the Nevada Constitution.² Plaintiffs now would have the Court make determinations that are legislatively delegated to the Board. *See Sheriff, Clark Cty. v. Luqman*, 101 Nev. 149, 153-54, 697 P.2d 107, 110 (1985). Mandamus will not lie "when

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^{CMR 725.001, et seq.; Michigan Compiled Laws: Chapter 333, Section 26421, et seq.;} Minnesota Statutes §§152.22-152.37; Mississippi Medical Cannabis Act, SB 2095 (2022); Missouri Const. Article XIV; Montana Code Annotated: Title 50, Section 46-301, et seq.; New Hampshire Rev. Statutes: Title X, Chapter 126-X.; New Jersey Statutes: Title 24, Section 6I-1, et seq.; New Mexico Statutes: Chapter 26, Section 2B-1, et seq.; New York Consolidated Laws: PBH Section 3360, et seq.; North Dakota Century Code: Title 19, Section 24.1-01, et seq.; Ohio Rev. Code: Title XXXVII, Section 3796.01, et seq.; 63 Oklahoma Statutes Supp.2019, §§ 427.1--427.23; Oregon Rev. Statutes: Section 475B.400.; 35 Pennsylvania Cons. Stat. Chapter 64; Rhode Island General Laws: Title 21, Chapter 28.6-1, et seq.; South Dakota Codified Laws Chapter 34-20G; Utah Code 26-61a; Vermont Statutes: Title 18, Section 4471, et seq.; Code of Virginia §§54.1-3442.5-3442.8; Washington Rev. Code: Title 69, Section 51A.005, et seq.; W.Va. Code Chapter 16A.

² This refutes the notion that Plaintiffs have no plain, speedy, and adequate remedy
at law and calls into question their inexcusable delay in seeking redress.

the duty imposed requires deliberation and decision upon facts presented." *Douglas Cty. Bd. of Cty. Comm'rs v. Pederson*, 78 Nev. 106, 108, 369 P.2d 669, 671 (1962).

C. The *Nevada Marijuana Legalization Initiative* did not divest the Board of jurisdiction over the scheduling of marijuana as a controlled substance.

Plaintiffs' ultimate motive is revealed in their argument that with the subsequent passage of the *Nevada Marijuana Legalization Initiative* the Board was effectively divested of jurisdiction over the scheduling of marijuana as a controlled substance altogether. Petition at 10:11-15 (¶31); 12:13-14 (¶43); 15:5-7 (¶62); 16-18 (¶¶A and B); Opposition at 22:17-24:21. Plaintiffs' endgame is clear: that marijuana no longer be regulated as a controlled substance under Nevada law, even in Schedule II, III, IV or V.³

Despite Plaintiffs' assertions to the contrary, under the current statutory scheme set forth in Title 56 of the Nevada Revised Statutes, to the extent marijuana was legalized for adult recreation use by the *Nevada Marijuana Legalization Initiative*, it is "regulated in a manner similar to alcohol" consistent with Section 2 of that initiative. Regulatory oversight and enforcement of the lawful use of marijuana authorized by both ballot initiatives now lies with the Cannabis Compliance Board, even as the Board retains jurisdiction over the scheduling of controlled substances under NRS Chapter 453.

Once again, the *Nevada Marijuana Legalization Initiative* itself delineated between lawful and unlawful use. Once again, in the course of implementing and amending that statutory scheme the Legislature has never deemed it necessary to deschedule marijuana or divest the Board of its authority under NRS Chapter 453 to schedule marijuana. Once again, the will of the voters that marijuana be authorized for adult recreational use under limited circumstances and subject to significant restrictions has been fully honored. Once

³ See NRS 453.176 (Schedule II tests); NRS 453.186 (Schedule III tests); NRS 453.196 (Schedule IV tests); NRS 453.206 (Schedule V tests) – a substance with accepted medical use in treatment in the United States is still subject to listing in one of these schedules based upon the potential for abuse and resulting physical or psychological dependence.

again, Plaintiffs do not allege that they have been prevented from using marijuana in conformance with the *Nevada Marijuana Legalization Initiative*. Once again, Plaintiffs essentially seek a "Get Out of Jail Free" card that was never contemplated by either ballot initiative.

D. Granting Plaintiffs their requested relief will not redress their alleged injuries.

Plaintiffs repeatedly assert that the relief they seek is a writ or order directing the Board to remove marijuana from the list of Schedule I controlled substances in NAC 453.510. Petition at 2:1-4; 13:8-10 (¶49); 14:20-21 (¶49); 15:1-10 (¶62); 16-18 (¶¶A and B); Opposition at 3:11-12; 23:8-9. Plaintiffs essentially seek to decriminalize conduct clearly proscribed by the Uniform Controlled Substances Act, a proposition previously rejected by the Nevada Supreme Court in *Luqman*. 101 Nev. at 157, 697 P.2d at 112-13. Even so, this will not redress their alleged injuries.

Plaintiffs allege that "individuals continue to be prosecuted for violating Nevada statutes which rely on the scheduling of marijuana, cannabis and cannabis derivatives as Schedule I substances." Petition at 14:16-18 (¶59). However, several of the relevant statutes do not even rely upon marijuana being scheduled as a controlled substance. NRS 453.339 prohibits the trafficking of marijuana specifically.⁴ NRS 453.3393 prohibits the unlawful production of marijuana specifically.⁵ NRS 453.336(4) prohibits the unlawful possession of 1 ounce or less of marijuana specifically.

NRS 453.336(1) prohibits the unlawful possession of *any* controlled substance and is not limited to Schedule I. NRS 202.360 prohibits the unlawful possession of a firearm by

⁴ NRS 453.339(1) states in pertinent part: "a person who knowingly or intentionally sells, manufactures, delivers or brings into this State or who is knowingly or intentionally in actual or constructive possession of *marijuana or concentrated cannabis* shall be punished " (Emphasis added).

⁵ NRS 453.3393(1) states in pertinent part: "A person shall not knowingly or intentionally manufacture, grow, plant, cultivate, harvest, dry, propagate or process *marijuana*, except as specifically authorized by the provisions of this chapter or chapter 453A of NRS." (Emphasis added).

a person who "unlawfully" uses *any* controlled substance and is not limited to Schedule I; moreover, the prohibition does not apply to a person "lawfully" using marijuana in conformance with NRS Chapters 678C or 678D. These prohibitions apply to all controlled substances, and persons convicted of these offenses will not benefit from a judicial determination that the current listing of marijuana in Schedule I is unconstitutional.⁶

Plaintiff Poole's alleged injury, that he was convicted of a controlled substancerelated offense after the enactment of Nev. Const. art. IV, § 38 (Petition at 4:1-6 (¶1; 6:1-4 (¶10), can only be redressed by descheduling marijuana altogether.⁷ Descheduling marijuana altogether will not even fully redress the alleged injuries of those CEIC members with prior criminal convictions for offenses specific to marijuana. By virtue of the lack of redressability, these Plaintiffs lack standing.

E. CEIC has failed to establish associational standing, organizational standing or standing under the public-importance doctrine.

Since CEIC members with prior marijuana-related criminal convictions cannot establish standing in their own right, they cannot afford CEIC associational standing. The Petition similarly fails to demonstrate the redressability necessary to establish standing for CIEC's members seeking to be licensed in the cannabis industry. The alleged injuries to CEIC's members are impermissibly generalized and CEIC's interests are so marginally related to the listing of marijuana as a Schedule I controlled substance that any redressability to CEIC or its members by way of its requested relief remains speculative. *See Thinket Ink Info. Res., Inc. v. Sun Microsystems, Inc.,* 368 F.3d 1053, 1059 (9th Cir. 2004).

⁶ NRS 453.337 does prohibit the unlawful possession for the purpose of sale any controlled substance classified in schedule I or II; however, the unlawful possession of marijuana for the purpose of sale is clearly proscribed under both ballot initiatives and implementing legislation.

⁷ Poole alleges that May 20, 2016, was the date of his arrest for possession of marijuana in violation of NRS 453.336 (Opposition at 10:5-7), *prior* to enactment of the *Nevada Marijuana Legalization Initiative*; his subsequent conviction *after* enactment of that ballot initiative is moot.

Plaintiffs reframe their statement of CEIC's mission in their opposition in an effort to salvage their argument that they have organizational standing. The Petition expressly states that as part of its two-fold mission, in addition to assisting members of underrepresented communities to become licensed in the cannabis industry:

CEIC has also dedicated resources to mitigating Nevada's long history of prosecuting cannabis-related offenses by assisting individuals with prior cannabis-related criminal convictions in applying for pardons and sealing criminal records. CEIC continues to engage in community outreach to identify these individuals and organize record sealing workshops.

|| Petition at 3:21-24 (¶1).

The Petition does not allege that any of the individuals that CEIC assists in this regard are actually seeking to be licensed in the cannabis industry. The Petition makes no mention of *diverting* resources to combat the Board's conduct that would have otherwise been utilized in furtherance of this mission. The opposition now nonsensically claims that CEIC is diverting resources from its stated mission in order to further its stated mission. Opposition at 13:14-19. CEIC cannot conjure up an involuntary injury-in-fact to its activities; consequently, CEIC lacks organizational standing. If courts "were to allow a party whose organizational mission is to engage in policy advocacy to claim injury on the basis of a need to engage in that exact activity, *any* advocacy group could find standing to challenge laws when there are changes in policy." *Women's Student Union v. United States Dep't of Educ.*, No. 21-cv-01626-EMC, 2021 U.S. Dist. LEXIS 167220, at *15-17 (N.D. Cal. Sep. 2, 2021) (citations omitted).

Finally, in a last-ditch effort to establish standing, CEIC argues the publicimportance exception recently expanded by the Nevada Supreme Court in *Nev. Pol'y Rsch. Inst., Inc. v. Cannizzaro*, 507 P.3d 1203 (Nev. 2022). However, CEIC cannot even make a facially valid argument that the exception applies. Although generally the publicimportance exception "requires that the plaintiff challenge a legislative expenditure or appropriation as violating a specific provision of the Nevada Constitution" the Court extended the exception to cases "where a party seeks to protect the essential nature of 'a government in which the three distinct departments, ... legislative, executive, and judicial,

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remain within the bounds of their constitutional powers." 507 P.3d at 1211 (citations omitted). This case doesn't even remotely implicate the separation of powers under the Nevada Constitution.

III. CONCLUSION

Due to their lack of standing and their failure to state remediable claims, Plaintiffs are not entitled to declaratory, injunctive or writ relief. For the foregoing reasons, Respondent/Defendant's motion to dismiss should be granted and the Petition dismissed pursuant to NRCP 12(b)(1) and (b)(5).

Respectfully submitted this 5th day of July, 2022.

Pursuant to NRS 239B.030 I affirm that this document does not contain personal information.

By: /s/ Brett Kandt

Brett Kandt (Bar No. 5384) General Counsel Peter K. Keegan (Bar. No. 12237) Assistant General Counsel Attorneys for Respondent/Defendant

1	CERTIFICATE OF SERVICE			
2	I certify that I am an employee of the Nevada State Board of Pharmacy, and that on			
3	this 5th day of July, 2022, I served a true and correct copy of the foregoing document by			
4	electronic service though the Court's electronic filing system to the following:			
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